E. R. - Please hold for DCI

L-204

Approved For Release 2007/06/14 : CIA-RDP83M00914R001900200008-6

20 January, 1981

RECOMMENDATIONS

In view of the balance of trade benefits of having Americans work abroad, the basic injustice of taxing US citizens living outside the country who make little or no use of US government services, the incompatibility of US tax laws with international practice, and the economic benefit of a simple tax law, the Administration should include in its initial tax cut package the following:

** **An exclusion of all earned income from US income tax for Americans who reside abroad based on;**

either

* A single stage residency or physical presence threshold of 17 out of 18 consecutive months:

or

* A two stage residency or physical presence requirement wherein a total exclusion is achieved in two steps:

1) For short term residents - up to 3 years - a specified percentage of gross income (80%) would qualify for exclusion or a specified amount ($75,000) representing, in most cases, the excess costs and expenses of living abroad, would be exempt.

2) For long term residents, beginning in the 4th consecutive year of foreign residence, a 100% exclusion of earned income would apply.

** In addition, an American citizen who has worked abroad for at lease 3 consecutive years should be able to exclude 100% of unearned income.

INTRODUCTION

During the Carter administration the laws relating to the taxation of US citizens living abroad were changed twice, and the regulations under the 1978 Foreign Earned Income Act are still incomplete. There is absolute unanimity among all who live under the 1978 Act - every individual, every company, every group, political and non-political - that it is both unjust and impossible to comply with. Most probably Congress will change the law again in 1981, as the issue demands simplification and consistency. This administration can and should take the initiative and offer a clean simple and fair measure in the tax cut package to Congress.

The US is the only major industrialised country to tax the income of its citizens resident abroad. Because Americans living abroad make little use of US government services, yet do pay direct and indirect taxes to their country of residence and use the services and protection of that country, there is little justification for taxing them at all.

Changes made in 1976 and again in 1978,in a naïve attempt to close a perceived loophole, have substantially raised taxes and thus have made it almost prohibitively expensive for American business people to work abroad. If a company includes a tax equalization package, the extra tax itself becomes taxable income to the employee, and so forth. It is estimated that a $40,000 year executive costs over $100,000 abroad. Furthermore, unlike the United States, most countries of the world rely more on indirect taxes such as VAT and other forms of sales and excise taxes than on the direct income tax. While similar taxes would be deductible to Americans living inside the US, these foreign indirect taxes are not deductible against foreign earned income; thus even the foreign tax credit which is supposed to equalise tax liability for similarly situated individuals does not effectively do so.

Finally, the tax, as it now stands with deductions and exclusions, is just too complicated to comply with or to administer.

EARNED INCOME

Code sections 911 and 913 permit American citizens who live outside the United States to apply special deductions or an exclusion, depending on where the taxpayer lives, against foreign earned income, but unearned income is treated the same wherever the taxpayer lives in the world.

Since 1926 some sort of exclusion has been in effect. The 1978 Foreign Earned Income Act reduced that exclusion to apply only to people living under certain hardship conditions. All other Americans living outside the United States apply a complicated system of deductions for the excess costs of living abroad. While foreign income taxes paid to the country of residence may be credited against U.S. taxes due, neither the credit nor the special deductions fully compensate Americans living abroad for the many indirect taxes paid to foreign governments. Thus, Americans abroad pay higher taxes than similarly situated residents of the United States.

Exclusion -

The easiest way to deal with income earned by Americans while living abroad is to exclude some or all from U.S. tax, i.e. the taxpayer does not have to report those earnings to the IRS. It is not only the simplest to administer, but it is also the simplest to comply with and it treats all similarly situated taxpayers the same, once a threshold establishing residence abroad is reached. Such an exclusion from U.S. tax can be total, it can be a dollar amount, either indexed for inflation or not indexed, or it can be a percentage of gross income.

Pending Legislation (Exhibit A)

Total exclusion -

H.R.5211, introduced by Rep. William Frenzel (R-Minn) and S.2321, introduced by Sen. Ralph Jepsen (R-Ia) would provide that all foreign earned income of certain individuals is exempt from U.S. taxation. To qualify, an American citizen must be a bona fide resident of a foreign country for 17 out of 18 consecutive months. (Exhibit B).

Taxes or expenses allocable to the excluded amounts would not be allowed as a credit or deduction. Government employees would not be covered by the bill. Deductions for the excess foreign living costs under the 1978 law would be repealed. There would be no change in the law regarding so-called unearned income, such as pensions, interest and dividends.

Dollar amount -

A number of bills have been introduced to provide off-the-top annual income exclusions for foreign earned income for qualified US citizens. In some of the bills the amount is indexed for inflation but in most it is not. In some of the bills a taxpayer must be either a bona fide resident of a foreign country (ies) or physically present for 510 days in any period of 18 consecutive months; in others the requirement is only 330 days in 12 consecutive months.

Some of the bills waive the minimum time periods with respect to Americans working abroad who could reasonably have been expected to meet those eligibility requirements if they left the foreign country under conditions of war, civil unrest, or similar conditions which precluded the normal conduct of business. The exclusion ranges from $50,000 to $75,000 in the various bills. Some retain a housing allowance exemption. The various bills either repeal section 913 or modify it. (Exhibit A, pages 6-9).

The Archer-Pickle Bill, H.R. 7811, would amend section 911 to exclude $75,000 of earned income, indexed for inflation. There are two tests: the residence and physical presence tests. Under the residence test, the taxpayer must be a bona fide resident of a foreign country for an entire taxable year. A statement by the individual to the authorities of a foreign country that he is not a resident of that country is conclusive evidence to U.S. tax authorities with respect to such earnings that he is not a bona fide foreign resident. Under the physical presence test the taxpayer must be physically present in a foreign country for 11 out of 12 consecutive months. A waiver is available if the taxpayer leaves a foreign country because of war, civil unrest or similar adverse conditions. (Exhibit C).

The definition of earned income includes compensation for personal services but not a distribution of earnings or profits by a corporation. Camp and housing deductions are greatly simplified. A deduction is allowed for housing expenses incurred between a base housing amount and housing "lavish or extravagant under the circumstances". The base housing amount is $5,500 for 1980 and thereafter it is indexed for inflation.

S.2283, introduced by Senator Chafee (D-RI), would provide an off-the-top annual income exclusion of $50,000 for the first 3 years of foreign residence and thereafter, up to $65,000 per year could be excluded. In addition, a special exemption for housing allowances in excess of 20% of earned income would be provided. (Exhibit D).

S.2418, introduced by Senator Lloyd Bentsen (D-Tex), would provide an off-the-top annual exclusion of up to $60,000 for foreign earned income. The deduction for certain housing expenses under section 913 of the Code would be retained, and the tax treatment under section 119 of lodging furnished to employees living in camps would also be modified. The existing cost-of-living differential, schooling deduction, home leave travel deduction and hardship area deduction provisions would be repealed.

Percentage exclusion -

S.3251, introduced by Sen. Daniel Patrick Moynihan (D-NY), would exclude 80% of foreign earned income from reporting in lieu of sections 911 and 913. To be eligible, a taxpayer must be a bona fide resident abroad for an entire taxable year, or be physically present in a foreign country or countries for 330 full days in such period. The bill does not affect unearned income or any income paid by the United States or any U.S. agencies, or return of capital or distribution of earnings or profits rather than a reasonable allowance as compensation for personal services actually rendered. It does affect earned income such as wages, salaries or professional fees. (Exhibit E).

Present Law - Deductions

For taxable years beginning on or after January 1, 1978 qualifying U.S. taxpayers living abroad have been taxed under the Foreign Earned Income Act of 1978. Qualification is based either on bona fide residence in a foreign country or presence in a foreign country for 17 out of 18 consecutive months. Except for people living in certain "camp" conditions, the earned income exclusion was replaced by a series of deductions for cost of living, housing, education and certain other expenses. These deductions are allowable in the calculation of the adjusted gross income. They can be claimed even if the taxpayer does not itemise his deductions but uses instead the zero bracket amount which has replaced the standard deduction. (Exhibit F).

Advantages of an Exclusion -

The 1978 deduction system is virtually impossible to comply with or administer; a law which would exclude foreign earned income from U.S. tax would, on the other hand, be simple to administer, simple to comply with and fair to Americans who live abroad and thus make little or no use of U.S. government services. An exclusion would reduce the cost of employing Americans abroad, thereby removing one impediment to foreign trade and increasing the number of jobs for Americans. Such an approach to taxation of its citizens living abroad would bring the U.S. more nearly into line with the tax policies of other nations as well. (Exhibit G).

Justice -

There is basic injustice in taxing Americans beyond the territorial jurisdiction of the United States. Americans abroad make little or no use of U.S. government services or protections. For instance, Medicare and Medicaid are unavailable. American public education is not available. (France provides schools and teachers worldwide, but does not tax, in most instances, foreign residents' earned income). Americans abroad are not protected under OSHA, under the EEOC, under pollution control laws or any US health or safety legislation. There is little freedom of speech compared to that enjoyed by residents of the US, and very little press freedom in comparison. In short, the benefits of American citizenship - the Constitution and the laws made thereunder - stop at the territorial limits of the USA.

The obligations of citizenship - taxation - now follow the passport, and that system is unjust and unfair.

Trade competitiveness -

A substantial or total exclusion is consistent with "supply-side" economics embodied in the Kemp-Roth tax reduction plan embraced by the Reagan Administration because high tax burdens place unfair restrictions on US exporters. (Exhibit H).

While trade competitiveness is not the major element of any policy decision to change taxation of Americans living abroad it is a question which must be reckoned with and which necessarily has a bearing on what is done. GAO Report Number ID-78-13 of February 21, 1978 entitled "Impact on Trade of Changes in Taxation in U.S. Citizens Employed Overseas", advised Congress as follows:

> Because of the seriousness of the deteriorating US international economic position, the relatively few policy instruments available for promoting US export and commercial competitiveness abroad, and uncertainties about the effectiveness of these, serious consideration should be given to continuing Section 911-type incentives of the Internal Revenue Code, at least until more effective policy instruments are indentified and implemented". (Page vi.)

Michael Samuels, Head of Georgetown's Center for Strategic and International Studies' Export Competitiveness Project recommends sweeping changes to boost exports, first of which is a change in the tax laws. (Exhibit I).

Jobs -

The 1978 FEIA has raised the cost of having US workers serve in foreign posts. It costs US firms some $100,000 to maintain an American in most areas even though the salary at home would be $40,000 in comparable positions. In the Middle East it is often possible to hire two expatriates from another country - Great Britain, for example - because their income is excluded from taxation at home. To put it simply, Americans are being priced out of foreign jobs.

Not one of our major competitors taxes the earned income of its citizens working abroad. For example, any citizen of the United Kingdom who spends 365 days working abroad is eligible for 100 percent tax relief, and those who work abroad for more than 30 days qualify for partial relief.

Foreign nationals think not in terms of US standards, even when working for an American company, but rather in their national product norms. A recent study by Professor André Laurent at Insead in France, as reported in the June 1980 issue of International Management Magazine, a McGraw-Hill publication, confirms this. To the extent that foreign-made goods are used for contracts of US based firms, there is a US domestic loss, however difficult it may be to quantify.

Revenue effects -

During deliberations on the 1973 FEIA it was estimated that the new provisions would cause a direct revenue loss of $412 million per year. Complete exemption of income earned by Americans abroad would have cost then in the neighbourhood of $720 million per year. (Exhibit J).

Revenue actually generated under the 1978 Act has not been quantified. In the 1979 Annual Report to the Commissioner of the IRS, the Office of International Operations (Publ.55, D. of Treas., IRS) reports that 366,000 individual returns were filed, but no figures were available on taxes paid. A confidential report by a tax policy expert in Carter's Treasury Department said that returns under the 1978 Act actually show a net loss of revenue because of huge administration costs.

Any revenue cost estimates compiled by the Carter Treasury Department are suspect because they are unlikely to account fully for the beneficial effects of an exclusion on the economy. The amounts are difficult to quantify, but at the same time, they should not be excluded from the tabulation. In quantifying the revenue effects, this Treasury Department should keep in mind the added employment abroad under and exclusion of earned income, added economic activity, exports, feed back revenues, ripple effects and the like.

Furthermore, the Department of Commerce, even in the Carter Administration, conservatively estimated that for every $1 billion in new economic activity between 40,000 and 70,000 jobs are created. A loss of 5% of current overseas export volume - about $7 billion in economic activity - would produce a job loss of 280,000.

Simplification -

Tax simplification is an announced goal of tax policy makers. The Section 911 exclusion that was in effect for so many years was easy to understand and administer, even though the amount excluded had fallen way below inflation. The 1978 FEIA imposes a system of taxation so complex it is impossible for any American abroad to fill out his or her own tax form. IRS personnel are little help because they themselves do not understand the law and regulations. A GAO study scheduled for completion in January, 1981 is said to recommend scuttling the 1978 Act because it is too complicated and thus too costly to administer.

Without doubt, any broad based exclusion would simplify administration and increased compliance.

Tax harmonisation -

International tax harmonisation is not an objective by itself, but exists mainly to facilitate trade. National systems of taxation are rarely identical but seldom are they as misaligned as in the case of the US Code sections 911 and 913 provisions.

Although other nations generally observe principals of territorial jurisdiction, our government reaches out for worldwide income with only a limited foreign tax credit mechanism to help curtail some of the double taxation that inevitably results. The practical consequence is that Americans are able to serve abroad only if they or their employers are willing to pay for the privilege of retaining citizenship while in foreign service.

Tax harmonisation has been an objective of most administrations. If we are to have more international trading activity, including exports, US tax policy makers must be cognizant of the policies already in place abroad and endeavour to conform wherever that can be done consistent with the public interest. The UK provisions in this respect seem eminently sensible in providing total exclusion after 365 days abroad and partial exclusion after 30 days abroad.

Disadvantages of an Exclusion -

The only disadvantage to a flat exclusion of foreign earned income is its perceived abuse by peripatetic movie stars or rich American playboys. A cap on earnings representing the inflated value of the pre-1976 $20,000 exclusions as originally established - at least $100,000 in 1981 dollars - would foil such abuse, if indeed it exists, as would a two-stage residency requirement. Short term residents - under 3 years - could exclude a percentage representing a trader's salary and the extra expenses of living abroad. Long term residents - over 3 years - could exclude all their earnings from US income tax because only bona fide foreign residents would remain abroad longer than 3 years.

Tax Burdens of Employment Abroad

Deductions inadequate

While the unitiated may believe that deductions allowed under the 1978 Foreign Earned Income Act may take into account any differences in living situations between Americans in the USA and Americans living outside the US, those who must live under the Act know it is not the case. While overseas Americans have an obligation to pay taxes while abroad they are specifically denied deductions or credits for payments made overseas that would qualify for deductions or credits were the taxpayer residing in the United States. Americans living in the United States can deduct from taxable income the contributions they make to their local church, hospital, charity or other philanthropic organisations. Americans who live abroad are forbidden to take such deductions. Americans at home can take a deduction for sales tax paid in the state where they reside, while the same deduction is denied those living abroad. Most countries in Europe have adopted a heavy indirect tax called Value Added Tax. This works like a sales tax and in the case of France brings in more national revenue per capita than is collected by income tax. The US has simply defined this as not a tax for US deduction purposes. (Exhibit K).

Living costs in some countries are astronomical, in others less. Services are absent in many countries and inadequate by American standards in most. Even in Great Britain, dustmen, postmen, local shopkeepers, and so forth all must be "tipped" regularly to assure basic services. Telephone calls home to relatives, letters to friends and family, magazine and newspaper subscriptions raise costs insidiously. There are no deductions for those costs, or for the absence of the basic living standards Americans are accustomed to.

The complication of bringing overseas tax obligations and US tax obligations into harmony for purposes of building saving or personal capital is monumental. Americans abroad have little contact with US tax authorities for advice. There are few overseas offices staffed by the IRS, and Americans abroad do not have access to free telephone advice on taxation enjoyed by all citizens at home.

Higher income taxes -

Foreign income taxes are in many cases higher than those in the United States even though most foreign countries collect a smaller share of their tax revenue from individual income taxes and a larger share from taxes on consumption.

Other taxes, direct and indirect

Numerous other taxes are imposed by foreign governments, national and local, which are specifically not deductible against US income taxes. VAT has been mentioned, but taxes on residence also have been specifically denied as a deduction. Rates, for instance, in Great Britain, are levied by local authorities to pay for schools, fire protection etc.., but because the assessment is against the occupant rather than the owner of the property, the IRS has specifically disallowed the deduction. In Great Britain, for instance, the colour TV licence fee - the fee for owning a TV, which goes to pay for the BBC - is approximately $125 per year. It is not deductible. Customs duties are higher. Tax on gasoline is 2-3 times higher in Europe as in the US. None is deductible. (Exhibit L).

Limited Foreign Tax Credit -

The United States provides a foreign tax credit only for foreign income taxes, or foreign taxes imposed in lieu of income taxes. The purpose is to avoid double taxation. The US income tax is payable to the extent it exceeds the foreign income tax on the income. Neutrality should be achieved because the US tax is payable only after allowing a full credit against it for the foreign tax attributable to such income. The total tax burden is then the same in theory whether the income is derived from domestic sources or from foreign sources. There is a fundamental underlying economic assumption, that, in general, taxes other than income taxes either do not exist abroad, or are deductible against income tax, as in the US. This is most assuredly not the case. No thought or planning has been given to the individual who has to absorb the myriad indirect taxes applied by governments throughout the world.

Taxes on consumption which are higher abroad are neither a credit against the US income under 901 of the Code nor deductible in determining US taxable income. Thus, it is obvious that the US citizen employed abroad bears a heavier tax burden than his counterpart at home.

History

After imposition of the US income tax in the 1920's the income earned by Americans working abroad in foreign countries was virtually exempt or excluded from US taxes as a matter of public policy and by specific acts of Congress. The purpose was to encourage foreign trade.

In the early 1950's some revisions were made to foil abuses by highly paid movie stars. These revisions altered foreign residency tests and placed a ceiling on the amount of foreign earned income that could be excluded. The income and allowances of most Americans working abroad was below $20,000, so they were not affected, and were not meant to be. By the mid-1970's the effects of inflation had overtaken this exclusion.

Misguided zeal in eliminating what was perceived as preferential tax treatment for Americans abroad led Congress to reduce the exclusion in 1976 to what was, in practical effect, $3,000.

This act represented a drastic policy shift. Instead of encouraging Americans to work abroad, the 1976 amendments actually discouraged such employment. In fact, Congress should have significantly increased the exclusion to reflect inflation rather than reducing it.

At the same time Tax Court rulings made so-called "keep whole" contributions paid by employers to offset extraordinary overseas living costs taxable to the employees at full value.

Fortunately, the amendments made by the 1976 Act never went into general effect because the Foreign Earned Income Act of 1978 replaced the Section 911 earned income exclusion for the years beginning after December 31, 1977 with the new system of itemized deduction for the excess cost of working overseas. The eligibility requirements for the deduction are generally the same as for the prior earned income exclusion.

Section 911 now provides a $20,000 exclusion for Americans living in so-called "camps" in remote hardship areas. Section 913 provides deductions for certain allowances for extraordinary foreign living expenses under strict qualifications. Both Sections 911 and 913 are very complex, a product of Senate and House disagreement. Moreover, the regulations effectively reverse the intent of Congress and create complexity beyond reason. In drawing up harsh regulations the IRS was responding to a directive made personally by President Jimmy Carter.

Political Considerations

Republican and Democratic Platforms

Both the Republican and Democratic parties in their 1980 platforms espoused a reduction in taxation of Americans living abroad, but the Republican statement was specific. It favoured the Frenzel Bill, i.e., there would be no taxation on Americans' foreign earned income. The Republican Party has long supported this method of encouraging US exports. The Democratic platform made a mild statement about "equitable taxation" of Americans abroad. Senator William Proxmire, a leading Senate Democrat, is vehemently opposed to any "tax break" for Americans abroad. In 1977, awarding his Golden Feece Award he called US citizens abroad, "Mink swathed Americans who spend their working hours in gambling casinos in Monte Carlo". Americans abroad were enraged by the injustice of his attitude. (Exhibit M).

Who benefits from Sections 911 and 913?

Any legislation dealing with an earned income exclusion applies to a narrow group of taxpayers. It covers only those US citizens who qualify under the residency requirement.

Neither Sections 911 nor 913 now permit exclusion or special deduction against dividends, interest, rent, royalties or capital gains. They do not give relief from any form of US taxation other than taxes on income. They do not apply to certain classes of US citizens abroad, such as government employees and military, who have advantages not available to the taxpayers to which Sections 911 and 913 apply. Among these advantages, other than low cost of living, is exemption from foreign income tax for certain government employees, exclusion of cost of living allowances (under Section 912 of the Code) and special capital gains tax treatment on the sale of homes of the military personnel (under Section 1034 (h) of the Code).

In 1970 the US population living abroad was 680,000. This was a substantial decline deom the 761,892 reported as living abroad in 1960. Most of the overseas Americans are Federal employees and their dependants to whom Section 911 does not apply. "Other" citizens include private business people, employees of foreign governments and international agencies, students, missionaries, religious workers, and their families. In 1970 the "other citizens were 236,366 of the 680,060 - about 35% of the total. Of these citizens

Approved For Release 2007/06/14 : CIA-RDP83M00914R001900200008-6

sixteen years old and over, approximately 70,000 reported that they were employed, representing only 10% of the Americans living outside the country in 1970. There were only sixteen countries, almost all industrialized, high tax countries, in which 1,000 or more employed "other citizens" above the age of sixteen were working abroad. In order of the number of US citizens living in those countries, they were Germany, England, Japan, Mexico, the Republic of South Africa, Canada, Switzerland, Brazil, Australia, Venezuela, France, the Philippines, Peru, Italy, India and Argentina.

Americans abroad were not counted in the 1980 census.

Americans living abroad, whether directly affected by the tax law or not, are unanimously in favour of a total exclusion on earned income. Furthermore, the extra-territorial reach of the US tax laws raises substantial questions of rights. The rights of the overseas French are guaranteed by the French Constitution. The President of Switzerland each year calls the overseas Swiss an integral part of the country and a great asset. The Queen's Export Awards recognize Britain's dependence on its exporters. In January, 1980 President Carter told the Congress that overseas Americans are doing as much harm to the goodwill of the United States as they are doing good.

Projections

The Republican Party should immediately take the initiative and enact legislation to exclude the income of Americans living abroad from the US income tax.

Hearings were held in the Senate Subcommittee on Taxation and Debt Management on June 26, 1980 and in the House of Ways and Means Committee on August 20, 1980, so there is no impediment to rapid enactment. The hearings produced substantial testimony from Members of Congress, from accountants, from industry and trade representatives and from various Chambers of Commerce favouring an end to taxation on the income of Americans residing abroad. Both hearings produced evidence of economic hardship produced by the 1978 changes in tax laws.

(Note: Hearing transcripts will not be available until mid-January, 1981.)

There is substantial support already for a total exclusion of foreign earned income from US tax. Research supports the view that an exclusion would rejuvenate our export efforts, thus creating jobs and increased revenue. The image of Americans living abroad, however, is still somewhat that of rich tax dodgers, the image created by the 1950's and 1960's film stars. Recent press coverage of the dangers and hardships of living abroad have begun, fortunately, to erode that outdated image. Thus, if Americans living and working abroad can be seen to be working for America, as unpaid US ambassadors, as well as creating jobs at home, a tax reduction for Americans abroad can be acceptable to voters living at home. (Exhibit N).

UNEARNED INCOME

The two major approaches to taxation are (1) source basis taxation and (2) residence basis taxation. Most countries use a combination of both, taxing residents or domiciliaries on their worldwide income and taxing non-residents and non-domiciliaries on income derived from sources in that country. The US is unique in taxing on both of the above and citizenship as well. Costs of administration would be reduced and justice granted by removing taxation on the basis of citizenship and excluding unearned as well as earned income from US tax for eligible Americans residing abroad.

Retired people are particularly vulnerable. They were not affected by changes in Section 911 nor directly by the adoption of the 1978 Law. Thus, although the 1978 law was passed on the principle that Americans overseas receiving earned income should not be taxed more heavily than those living at home if they live in a higher cost country, no account was taken of retired Americans dependent on unearned income. Most Americans retired abroad have worked there for many years and have made their friends and homes overseas. In these circumstances it seems only fair not to subject them to tax pressures to uproot their lives. They should receive no worse tax treatment in old age and on a reduced income than when they were working. Furthermore, pensions can be seen as wages, or earned income, deferred. Investments, dividends, etc. can also be seen as prudent investment while the individual was working. Any proposal to exclude unearned income from tax should provide tax advantages only to someone who has established real roots abroad. (Exhibit O).

- End -

EXHIBITS

Exhibit	A.	Tax Treatment of Foreign Earned Income, prepared by the Joint Committee on Taxation, June 24, 1980.
Exhibit	B.	H.R.5211, 96th Congress introduced by Mr. Frenzel.
Exhibit	C.	H.R.7811, 96th Congress introduced by Mr. Archer for himself and Mr. Pickle.
Exhibit	D.	S.2283, 96th Congress introduced by Mr. Chafee.
Exhibit	E.	S.3251, 96th Congress introduced by Mr. Moynihan.
Exhibit	F.	Taxation of Americans Residing Abroad, Touche Ross and Co.
Exhibit	G.	The President's Export Council, Sub-Committee on Export Expansion, December 5, 1979.
Exhibit	H.	America's Loss of Business in the Middle East, American Businessmen's Group of Riyadh.
Exhibit	I.	Centre for Strategic and International Studies, Export Competitiveness Project, 1980.
Exhibit	J.	Charles M. Bruce, New Rules Taxing Americans Working Abroad, October, 1979.
Exhibit	K.	Representations to the Congress of the United States and to the U.S. Treasury Opposing the Repeal of Section 911 of the Internal Revenue Code, American Chamber of Commerce (UK), May, 1976.
Exhibit	L.	Equitable Treatment of US Citizens Living Abroad as requested by Section 406, P.L. 96-60, amending Section 611, P.L. 95-426, January 24, 1980.
Exhibit	M.	Taxation of Americans Residing Abroad, Prepared by the Tax Policy Sub-Committee Republican National Committee's Advisory Council on Economic Affairs.
Exhibit	N.	Waverley Root, International Herald Tribune, May and June, 1979.
Exhibit	O.	Discussion Draft of bill to be introduced by Mr. Frenzel on retirement income.